Consideration of Benefit Plan Design and Rate Changes for Calendar Year 2014

☒ **Action Item**
☐ **Report/Discussion Item**

Overview

The Employee Benefits Committee and the Finance Committee have reviewed the recommended plan design changes as presented to the Board of Education for final determination. The following changes are recommended. If the following changes are authorized, the Board will have a new plan document for authorization at the October 2013 meeting that will allow the November 2013 open enrollment work to proceed.

Medical Plan	Cafeteria Plan
• Increase allowed providers for counseling services • Change first day of coverage for hourly employees to first day of month following 60 days rather than 90 due to health care reform requirements • Change last day of coverage to last day of month following last day of employment rather than last day of employment • Add domestic partner coverage • Set rates for 2014 equal to 2013 rates (no increase)	• Change dependent insurance premium coverage to be an "opt out" benefit for pre-tax withholding purposes rather than "opt in"
	Dental Plan
	• Increase monthly premium to $27 per month per member rather than $25 • Change part-time premium rate to a flat $5 per month rather than a sliding scale
	Life Insurance Plan
	• Change part-time premium rate to a flat $1 per month rather than a sliding scale

Fiscal Impact and Funding Source

The current budget calls for a 5.7 percent increase in medical insurance rates and no increase in dental. The net annual difference in cost to the Board of Education after the changes above is an estimated $300,000 in savings in Board-paid insurance premiums.

Recommendation

It is the recommendation of the Employee Benefits Committee and the Finance Committee that, at its meeting on September 9, 2013, the Board of Education accept the recommendations as presented.

Materials Preparation and Inquiries

This item was prepared by Linda D. Quinley, Chief Financial Officer and Board of Education Treasurer. Inquiries about these materials or requests for additional information pertaining to this item should be directed to Ms. Quinley (214-3702).